

PART 2816 - TYPES OF CONTRACTS

Subpart 2816.5 - Indefinite-Delivery Contracts

2816.505 Ordering.

Subpart 2816.6 - Time-and-Materials, Labor-Hour, and Letter Contracts

2816.601 Time-and-material contracts.

2816.602 Labor-hour contracts.

2816.603 Letter contracts.

2816.603-2 Application.

2816.603-3 Limitations.

Subpart 2816.5 - Indefinite-Delivery Contracts

2816.505 Ordering.

- (a) In accordance with FAR 16.505(b)(4), the Department of Justice Task Order and Delivery Order Ombudsman is the DOJ Competition Advocate.
- (b) Heads of contracting activities shall designate a contracting activity Task Order and Delivery Order Ombudsman. This person may be the contracting activity competition advocate and must meet the qualification requirements of 2806.501(b).
- (c) Contracting activity ombudsman shall review and resolve complaints from contractors concerning task or delivery orders placed by the contracting activity.
- (d) Contractors not satisfied with the resolution of a complaint by a contracting activity ombudsman may request the Departmental Ombudsman to review the complaint.

Subpart 2816.6 - Time-and-Materials, Labor-Hour, and Letter Contracts

2816.601 Time-and-material contracts.

In addition to the limitations listed in FAR 16.601(c), a time-and-materials contract may be used only after the contracting officer receives written approval from the chief of the contracting office. When the contracting officer is also the chief of the contracting office, the approval to use a time-and-materials type contract will be made at a level above the contracting officer.

2816.602 Labor-hour contracts.

The limitations set forth in [2816.601](#) for time-and-material contracts also apply to labor-hour contracts.

2816.603 Letter contracts.

2816.603-2 Application.

In cases where the contracting officer and the contractor cannot negotiate the definitization of a letter contract within 180 days after the date of the letter contract, or before completion of 40 percent of the work to be performed, the contracting officer may, with the written approval of the PE, revise and extend the definitization schedule. However, in no event shall the extension of the definitization schedule extend beyond the lesser of an additional 180 day period or the completion of 80 percent of the work to be performed. If at the end of the extension, the contracting officer and the contractor cannot negotiate a definitive contract because of failure to reach an agreement on price or fee, the procedures set forth in FAR 51.216-25, 16.603-2, 15.8, and part 31 shall be followed, as applicable.

2816.603-3 Limitations.

A letter contract may be used only after the express written approval of the Procurement Executive. Requests for approval shall contain the rationale explaining why no other contract is suitable and shall include the approval of the HCA or designee. Under circumstances of compelling urgency which do not permit the time needed for written approval, oral approval must be obtained; however, written documentation to support the award and confirm the oral approval must be submitted as soon as practicable after award.